



OFFICE OF THE COMPTROLLER
CITY OF ST. LOUIS



FILE COPY

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Comptroller

Internal Audit Section

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November 7, 2011

The Honorable Sharon Quigley Carpenter, Recorder of Deeds
1200 Market Street, Room 126
St. Louis, MO 63103-2881

RE: Recorder of Deeds (Project #2012-01)

Honorable Ms. Carpenter:

Enclosed is the Internal Audit Section's revenue review report of the Recorder of Deeds for the period March 1, 2011 through June 30, 2011. A description of the scope of the work is included in the report.

Fieldwork was completed on November 2, 2011.

This review was made under authorization contained in Section 2, Article XV of the Charter, City of St. Louis, as revised, and has been conducted in accordance with the *International Standards for the Professional Practice of Internal Auditing*.

If you have any questions, please contact the Internal Audit Section at (314) 657-3490.

Respectfully,

Dr. Kenneth M. Stone, CPA
Internal Audit Executive

Enclosure

cc: Peggy Meeker, Chief Deputy



CITY OF ST. LOUIS

RECORDER OF DEEDS – RECORDED INSTRUMENTS

REVENUE REVIEW

MARCH 1, 2011 THROUGH JUNE 30, 2011

PROJECT # 2012-01

DATE ISSUED: NOVEMBER 7, 2011

**Prepared By:
The Internal Audit Section**



OFFICE OF THE COMPTROLLER

HONORABLE DARLENE GREEN, COMPTROLLER

CITY OF ST. LOUIS
RECORDER OF DEEDS – RECORDED INSTRUMENTS
REVENUE REVIEW
MARCH 1, 2011 THROUGH JUNE 30, 2011

EXECUTIVE SUMMARY

Purpose

The Recorder of Deeds (Agency) was selected for review based on the annual risk assessment. The purpose was to determine if the Agency's internal controls effectively and efficiently manages risks to ensure:

- Existence of adequate revenue policies and procedures applied on a consistent basis.
- Proper recording and timely reporting of all revenues.
- Reliability and integrity of financial information.
- Compliance with applicable laws, regulations, policies and procedures.

Scope and Methodology

The scope of the period of review included revenues collected for recorded instruments from March 1, 2011 through June 30, 2011. The review was confined to evaluating internal controls over the fiscal activities relating to the objectives noted above. The review procedures included:

- Inquiries of management and staff.
- Observations of relevant processes.
- Reviews for compliance with policies and procedures, as well as applicable laws and regulations.
- Limited tests of controls,
- Follow-ups on prior audit observations.
- Other procedures considered necessary.

Background

The Agency is the public library of marriage licenses, birth, death, and real estate records for the City. The Agency preserves and provides public access to personal and property records. It also accepts filings which include title of commercial and personal property, and microfilms all recorded documents. Filing and access fees are determined by Missouri State Statute, Chapters 59.313, 59.319, and 59.800.

Exit Conference

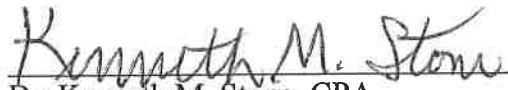
The Agency was informed the review resulted in no observations and an exit conference was not considered necessary.

CITY OF ST. LOUIS
RECORDER OF DEEDS – RECORDED INSTRUMENTS
REVENUE REVIEW
MARCH 1, 2011 THROUGH JUNE 30, 2011


EXECUTIVE SUMMARY

Conclusion

The Agency adequately addressed internal controls and risks relating to the objectives noted above. No observations resulted from the review.



Dr. Kenneth M. Stone, CPA
Internal Audit Executive


Date

**CITY OF ST. LOUIS
RECORDER OF DEEDS – RECORDED INSTRUMENTS
REVENUE REVIEW
MARCH 1, 2011 THROUGH JUNE 30, 2011**

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OBSERVATIONS

Status of Prior Observations

The previous State audit report, issued January 2010, did not contain observations related to the scope of this review. There were no recent Internal Audit reviews of the office.

Summary of Current Observations

Several control procedures were noted in processing revenues. These included, but were not limited to, the following:

- Transactions are preloaded by the system for tracking purposes.
- Fees charged are separated by the system to reduce chance of manual error and ensure proper distribution in accordance with State requirements.
- Several daily reports are generated and independently reconciled.
- Receipts are deposited daily in accordance with the City Charter.
- Documents filed are safeguarded through replications and are backed-up at separated locations.

No observations resulted for the review.